

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Randy J. Shaw

v.

NASD Arbitration

No. 95-01834

Name of Respondents

Liberty Capital Markets, Inc., Robert Holmes and Doyle Holmes

REPRESENTATION

For Claimant: Robert F. Curotto, Esq.
Curotto Law Offices
Oakland, California

For Respondents: David M. Grey, Esq.
Turner, Cooper and Reynolds
Irvine, California

CASE INFORMATION

Statement of Claim filed: April 13, 1995

Claimant's Submission Agreement signed: April 10, 1995

Joint Statement of Answer filed by Respondent: August 21, 1995

Respondent Liberty Capital Markets, Inc.'s Submission Agreement signed: August 21, 1995

Respondent Robert Holmes Submission Agreement signed: August 21, 1995

Respondent Doyle Holmes Submission Agreement signed: August 21, 1995

HEARING INFORMATION

Hearing Dates / Sessions: February 6, 1996 (2 sessions)
February 7, 1996 (2 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant asserted claims against each of the Respondents for breach of employment contract, breach of implied-in-fact employment contract, breach of the implied covenant of good faith and fair dealing, and intentional and negligent misrepresentation arising out of his termination from employment. Claimant asserted that Respondents misrepresented Liberty Capital's financial condition at the time it made an offer of employment to Claimant which induced Claimant to leave his current position with another firm and join Liberty Capital. Claimant further asserted liability against the individual Respondents on the theory that they were the alter egos of Liberty Capital.

Respondents denied the allegations of the claim, asserting that Claimant was an at-will employee and that Claimant's termination for financial reasons was unanticipated at the time of his employment.

RELIEF REQUESTED

Claimant requested special damages of \$53,333.00 plus general damages for emotional distress and punitive damages.

Respondents requested that Claimant take nothing by the statement of Claim and sought reasonable attorney's fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original remains on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Liberty Capital Markets, Inc. and Doyle Holmes are held liable, jointly and severally, in the sum of \$32,500.00 on Claimant's claim for negligent misrepresentation. All other claims against these Respondents are denied in their entirety.
2. All claims against Respondent Robert Holmes are denied in their entirety.
3. The parties shall each bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

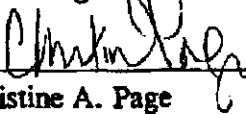
| | | |
|--|---|------------|
| Four Hearing sessions @ \$750.00/session | = | \$3,000.00 |
| Claimant's one-half share | = | \$1,500.00 |
| Claimant's Balance Due | = | \$1,500.00 |
| Respondent's one-half share | = | \$1,500.00 |
| Respondent's Balance Due | = | \$1,500.00 |

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS

| Name | Public / Industry |
|-------------------|---------------------|
| Christine A. Page | Industry Arbitrator |
| George J. Rosen | Industry Arbitrator |
| Milton C. Bennett | Industry Arbitrator |

Concurring Arbitrators' Signatures


Christine A. Page

George J. Rosen

Milton C. Bennett

Date of Decision: _____

ARBITRATORS

| <u>Name</u> | <u>Public / Industry</u> |
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Date of Decision:

2/16/96